

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 89-638-C - ORDER NO. 90-428 ✓

APRIL 19, 1990

IN RE: Application of Southern Bell Telephone)	
& Telegraph Company for Approval of)	
Revisions to its General Subscribers)	ORDER
Service Tariff (Tariff No. 89-171,)	APPROVING
Caller I.D.))	TARIFF FILING

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of a Request by Southern Bell Telephone & Telegraph Company (Southern Bell) for revisions to its General Subscriber Service Tariff, Section Nos. A6 and A13, filed on December 6, 1989. The purpose of the filing was to introduce Caller I.D. as a new feature of Southern Bell's TouchStar Service. Also with the filing, the Company proposed a revision in the white page directory listing service to clarify that a non-published number may be disclosed if the called party has the necessary equipment for displaying telephone numbers. Additionally, text revisions were made to clarify the terms and conditions under which the service will be provisioned on multi-line hunt groups. The matter was duly noticed to the public. A Petition to Intervene was filed by Steven W. Hamm, Consumer Advocate for the State of South Carolina (the Consumer Advocate).

On March 1, 1990, the Consumer Advocate filed a Motion requesting the Commission to issue an Order granting a continuance in the instant docket, to require Southern Bell to conduct a customer survey, and to amend its Application to conform with S.C. Code Ann. §17-29-10, et seq. (Cum. Supp. 1989). Thereafter, Southern Bell filed its return to the Motion on March 5, 1990. On March 12, 1990, the Commission issued Order No. 90-211 in the instant docket which denied the request of the Consumer Advocate to continue the hearing and conduct a consumer survey. Order No. 90-211 determined that the issue of the violation of §17-29-10 could be addressed during the hearing.

The Commission duly commenced the scheduled hearing on Wednesday, March 14, 1990, at 11:00 a.m. in the Commission's Hearing Room, the Honorable Caroline H. Maass, presiding. Fred A. Walters, Esquire, represented Southern Bell; Raymon E. Lark, Jr., Esquire and Elliott F. Elam, Jr., Esquire, represented the Consumer Advocate; and Marsha A. Ward, General Counsel, represented the Commission Staff.

Southern Bell presented the testimony of C.L. Addis, Staff Manager, Regulatory Matters, to present evidence concerning Southern Bell's Caller I.D. filing. No other party presented a witness.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Based upon the testimony presented to the Commission during this proceeding and the evidence of the record, the Commission makes the following findings and conclusions:

Caller I.D. is a new TouchStar feature that allows the customer to see the caller's telephone number displayed before the called party answers the telephone. The telephone number of the calling party is displayed on an adjunct display unit. On some units, the date and time the call took place may also be displayed and on some units, the information may be stored in case the called party is absent and may be retrieved when the called party returns. Caller I.D. will be offered to the single line business and residence markets. The proposed monthly rate for residence and business customers will be \$7.50 and \$10.00, respectively. The display units cost approximately \$80.00. These units may be obtained from Bell South or other telecommunications equipment retailers. These informational findings are based upon the testimony of witness Addis and the tariff filing of Southern Bell.

While the Consumer Advocate requested the Commission to rule on the applicability of the "trap and trace" statute under §17-29-10 et seq., arguing that the statute prohibited the use of such a device or device that performs the same function as a trap and trace device. Considering Southern Bell's response indicating that the display unit offered to Southern Bell customers under this tariff provision is not a trap and trace device or if it is such, it comes within the exceptions of §17-29-20, the Commission has determined that it is up to the appropriate prosecutors of this State to interpret §17-29-10 et seq., and the applicability of those sections to this proposed service of Southern Bell and take the appropriate action.

The Commission is, however, concerned about the privacy issue of certain agencies or people whose numbers may be displayed. The Commission notes that a telephone subscriber does not "own" his telephone number. As provided in Southern Bell's tariff, it controls the dissemination of telephone numbers. Therefore, a subscriber would not have a property interest in his telephone number.

The Commission finds, based upon the testimony of witness Addis, that Caller I.D. will provide the following benefits: For residential customers, it will give the customer control over his incoming calls, will discourage obscene, annoying, or harrassing calls, will increase a customer's sense of security and privacy by allowing them to choose which calls to answer, will increase the ability to provide assistance in emergency situations, will provide a more secure method of access to office databases from the home, can assist deaf customers by providing a way to recognize incoming calls that must be answered with a telecommunications device for deaf persons, will allow customers to store telephone numbers of those called so that they can be returned later, and the revenue contribution from Caller I.D. will help relieve some of the pressure to increase basic local exchange service rates. Business customers will benefit from the service by being provided with the ability to personalize business services, thereby giving prompt, efficient service, and by being given a quick and easy way to verify the accuracy of the information or location before accepting or sending a telephone order. For the public in general, Caller

I.D. provides a supplement or compliment to 911 in certain areas, it will discourage obscene, annoying, or harrassing phone calls, it will eliminate or reduce false fire alarms or bomb threats, it will eliminate prank calls to law enforcement and other public agencies, and can be used by law enforcement to verify certain information. Therefore, the Commission finds that the proposal will not provide the intended benefits if anyone may selectively block their telephone number. Accordingly, the Commission finds that in general, the public interest is served by not blocking the calling parties' telephone number.

The Commission recognizes that there may be some particular privacy interests which may be more important than the general public's, specifically, law enforcement agencies and crisis intervention-type agencies. Accordingly, the Commission finds that the recommendations proposed during the hearing by Southern Bell, recognizing the need that certain telephone numbers under certain circumstances should not be displayed, should be adopted by the Commission. Therefore, the Commission finds that because of the specialized concerns of some agencies and individuals who may be legitimately at risk as a result of the provision of this service, the Commission will approve blocking the delivery of some numbers in special circumstances if no other "reasonable alternative" can be arranged. A "reasonable alternative" may be to place a call through an operator or to place the call from a public payphone. Otherwise, the Commission finds that eligibility for blocking should include: (1) that the customer (agency or individual)

should establish that its business is law enforcement or one which the divulgence of identities over the telephone could cause serious personal or physical harm to its employees or clients, such as a domestic violence intervention agency; (2) that the customer (agency or individual) should establish that the forwarding of numbers through Caller I.D. would seriously impair or prevent it from performing its business; and (3) that the customer (agency or individual) should establish that no reasonable offering by the telephone company, other than blocking, will protect its desired anonymity. The Commission finds that it is in the public interest that the blocking of these calls should be provided to qualifying subscribers at no charge by the Company.

The Commission finds, however, that the proposal of the Consumer Advocate of blocking each call per the request of a customer should not be done by the Company other than in the above referenced circumstances. The Commission finds that the called party, if opting to subscribe to this service is the party that has the right to know who may be calling him so that they may make the decision whether to answer the telephone. As explained during the testimony of witness Addis, this is akin to an individual looking through the peephole in his front door to decide whether or not to answer the doorbell and allow the calling party to enter his home. The Commission finds that with the legal publication of this tariff and the numerous newspaper articles and other media dissemination of the proposal, that all Southern Bell customers have been put on notice that Caller I.D. is available. If a

Southern Bell customer is concerned about his or her privacy and whether or not their number would be displayed if they made a telephone call, then they should either not make the call or make it through one of the alternatives such as through an operator or from a public payphone. The Commission is also mindful that at this point in time only callers within the local calling area would have their telephone numbers displayed if the called party subscribed to the service. The Commission is of the opinion that the blocking of any call as proposed by the Consumer Advocate would defeat the value and the purpose of this tariff, that is, to give the called party the opportunity to make the decision to answer the phone, to protect subscribers from harassing or annoying or abusive phone calls, to increase assistance in emergency situations, to assist deaf persons in communicating, and to provide additional revenues to support basic local exchange service rates, to assist businesses in verifying the accuracy of information or location before accepting or sending an order placed over the telephone, and in providing a compliment to "911" in certain areas, among others.

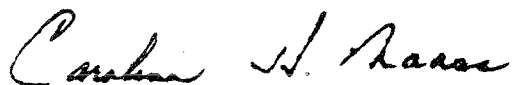
As to whether the Commission should dismiss this filing for lack of evidence as to whether the customers of Southern Bell desire this service, the Commission finds the service proposed by Southern Bell is optional. This fact was testified to by witness Addis. The customer chooses or casts his vote by subscribing to the service. If the customer does not desire this service then he may choose not to subscribe. The Commission is not required to poll the public every time a telephone utility seeks to provide an

optional service to its customers. The provision of an optional service by a telephone utility is not dependant upon majority rule. The Consumer Advocate raises the issue of "cost questions" in his closing comments. There was testimony on cross-examination that about \$450,000 in additional revenues would be realized by Southern Bell after the first year if the service was approved. However, the Commission notes that if there is any imprudence on the part of the Company, the Commission will take the appropriate action to address such an occurence. An optional service offering by a local exchange company does not require the Company to meet any burden of proving the desirability of the service.

Based upon the evidence presented to the Commission and the evidence of the record, the Commission finds that the proposed optional service offering of Caller I.D. should be approved with the guidelines for blocking in the limited situations as outlined be herein adopted. The Company should file a revised tariff including the adopted blocking criteria within thirty (30) days of the date of this Order.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director
(SEAL)